



August 5, 2010

The Honorable Kay Bailey Hutchison
United States Senate
284 Senate Russell Building
Washington, DC 20510

Dear Senator Hutchison:

I write to lend the support of the National Retail Federation (NRF) to legislation you have recently introduced: "The Patients' Freedom to Choose Act" (S. 3673). We strongly support your bill and urge that it be promptly adopted.

NRF has myriad concerns with and objections to the Patient Protection and Affordable Care Act of 2010. This sweeping new law missed the opportunity to make serious progress in reducing the cost of medical care and coverage and instead imposed job-killing mandates. It also significantly undercut existing account-based health care options that today encourage cost-conscious behavior by consumers.

Your legislation appropriately would repeal the arbitrary cap of \$2,500 on Flexible Spending Account (FSA) contributions. FSAs allow consumers to pre-plan for medical expenses. Your bill would also repeal the prohibition on reimbursement from FSAs or Health Savings Accounts (HSA) for over-the-counter (OTC) medications unless prescribed by a physician. It makes little sense to require office visits to reimburse OTC medications. Our health care system saves money today through self-care. Your bill's two key provisions would help return greater consumerism to our health care system.

NRF commends you for introducing this legislation. We look forward to supporting your efforts. If you have any questions, please contact Neil Trautwein (202-626-8170 / trautweinn@nrf.com), NRF's Vice President, Employee Benefits Policy Counsel.

Sincerely,

A handwritten signature in black ink, appearing to read "Steve Pfister". The signature is fluid and cursive, with the first name "Steve" and last name "Pfister" clearly distinguishable.

Steve Pfister
Senior Vice President
Government Relations